HOUSING MARKET INFORMATION

RENTAL MARKET REPORT

Thunder Bay CMA

CANADA MORTGAGE AND HOUSING CORPORATION

Date Released: Fall 2015

Thunder Bay CMA Highlights

- The vacancy rate in Thunder Bay jumped to 4.6 per cent in October 2015.
- Fixed-sample two bedroom apartment rents increased by 2.3 per cent; the third smallest increase of all 15 Ontario Census Metropolitan Areas.
- Falling employment and some new rental supply contributed to the higher vacancy rate.

Figure 1

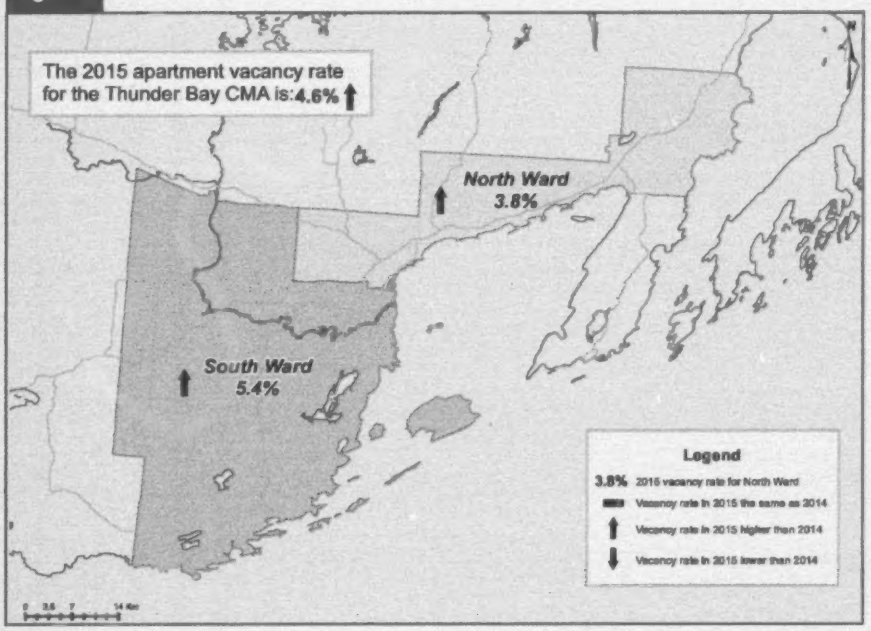
The 2015 apartment vacancy rate for the Thunder Bay CMA is: 4.6%
North Ward
3.8%
South Ward
5.4%
Legend
3.8% 2015 vacancy rate for North Ward
Vacancy rate in 2015 the same as 2014
Vacancy rate in 2015 higher than 2014
Vacancy rate in 2015 lower than 2014

Table of Contents

1 Thunder Bay CMA Highlights

2 Overview: Vacancies and Rents in Thunder Bay CMA

3 Submarket Results: Vacancies Vary Across Wards And Bedroom Types

4 Supply and Demand Factors

5 Thunder Bay Fixed Sample Rent Increases Modestly

7 Survey Zone Maps

8 Survey Zone Descriptions

9 Rental Market Report Tables

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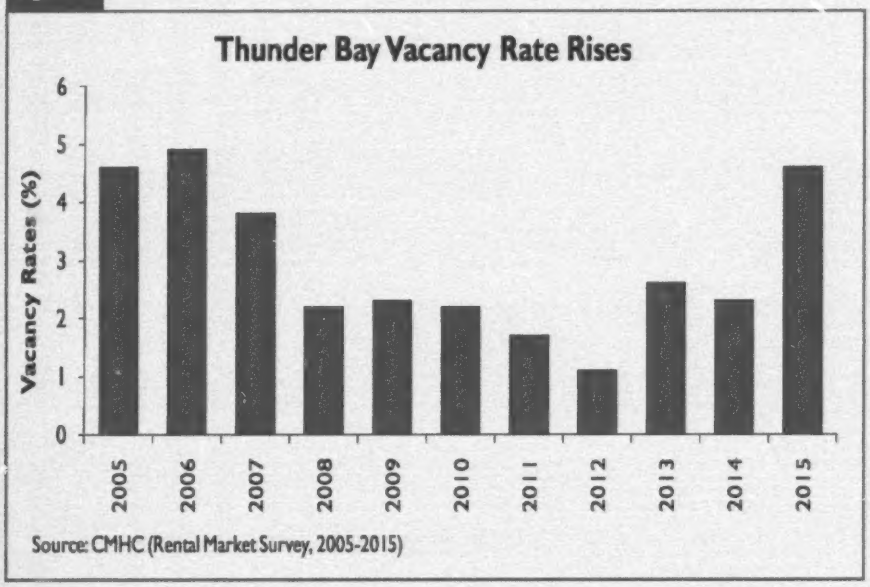
Overview: Vacancies and Rents in Thunder Bay CMA

The vacancy rate for apartments with at least three units in the Thunder Bay Census Metropolitan Area (CMA) primary rental market jumped to 4.6 per cent in October 2015, up from 2.3 per cent in October 2014, according to Canada Mortgage and Housing Corporation (CMHC)'s Fall 2015 Rental Market Survey (RMS).[1] Falling employment and some new rental supply, not strictly part of the purpose-built rental stock, were two factors that contributed to the higher vacancy rate in 2015. The primary apartment universe has in fact, fallen slightly compared to 2014 but the losses in this segment of the rental market have been countered by increases to the primary row universe. At present, row units comprise 7.5 per cent of the primary row and apartment universe compared to 6.2 per cent last year. In addition, low mortgage rates and increased resale market supply have made the move to homeownership more attractive which in turn freed up rental units. Conversely, the aging population continues to generally support rental demand.

Vacancies by bedroom type in Thunder Bay showed an increase for all bedroom types that could be reported. The two bedroom unit vacancy rate rose to 4.4 per cent from 2.1 per cent while both bachelor and one bedroom unit vacancy rates rose to 9.3 and 3.9 per cent respectively. The highest rents in Thunder Bay were found in Zone 1 or the North Ward, also the part of the city with the highest demand for rental accommodations and hence, the lowest vacancy rate. In fact, one bedroom units in the north ward had the lowest vacancy rate of one and two bedroom units across the city, the most common units in the market place based on CMHC rental unit counts.

Figure 2



The fixed sample[2] average rent for two-bedroom units increased by 2.3 per cent in October 2015 compared to October 2014, down considerably from 3.9 per cent for the October 2013-2014 period. Upon rental units becoming vacant, rents can rise in units built before 1991 above Ontario Rent Review Guideline which this year was stipulated at 1.6 per cent[3].

The availability rate[4] in the Thunder Bay CMA rose this year to 5.2 per cent, up strongly from 3.2 per cent in 2014. All availability rates by bedroom type rose in 2015. Generally, the availability rate is a useful measure for property managers as it allows them to manage not only the vacant units, but those known to be coming onto the market. The vacancy rate increased more than the availability rate this year, an indication that it was more challenging to re-rent units which became vacant.

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[1] Based on privately-initiated rental apartment structures of three or more units

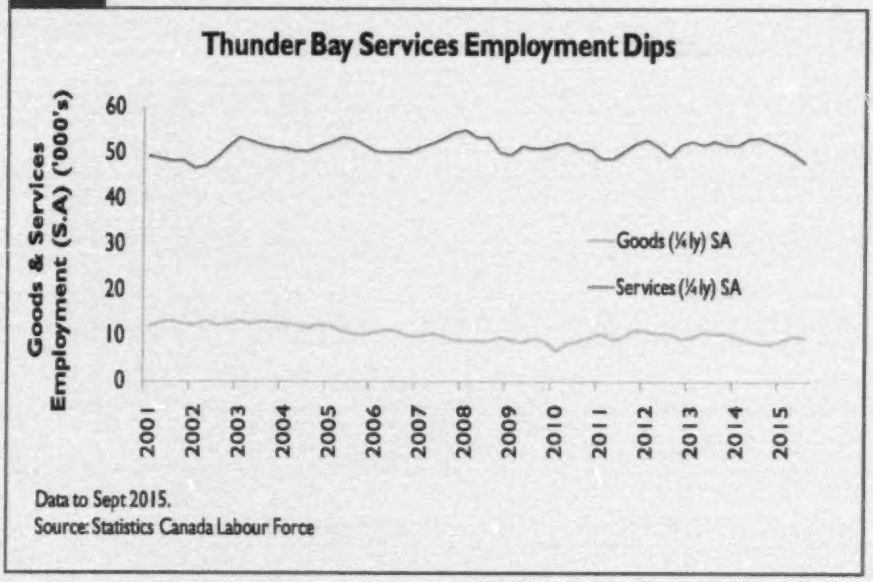
[2] When comparing year-over-year average rents, the age of the building needs to be taken into consideration because rents in newly-built structures tend to be higher than in existing buildings. By comparing rents for units that are common to both 2015 and 2014 Fall Rental Market Surveys, we can get a better indication of actual rent increases paid by most tenants.

[3] Ontario Ministry of Municipal Affairs and Housing, 2015 Rent Increase Guideline, retrieved from http://news.ontario.ca/mah/en/2014/06/2015-rent-increase-guideline.html on Dec. 7, 2015.

[4] A rental unit is considered available if the unit is vacant, or the existing tenant has given or received official notice to move and a new tenant has not signed a lease. As the definition of availability includes vacancy, the availability rate will always be equal to or greater than the vacancy rate.

The vacancy rate increase moves Thunder Bay into first place amongst Ontario's 15 CMAs (centres with populations over 100,000), a dubious distinction, as a high vacancy rate is generally a sign of economic weakness. After an extended period of relatively low vacancies coupled with a very tight resale market characterized by low listings, the increase in vacancies is being welcomed in some circles. Northern Ontario's other major centre, Greater Sudbury saw its rate fall from 4.2 per cent to 3.5 per cent. Elsewhere in Northwestern Ontario, Kenora's vacancy rate fell markedly in October to 1.7 per cent in 2015, down from 3.6 per cent in 2014.

Figure 3



Data to Sept 2015.
Source: Statistics Canada Labour Force

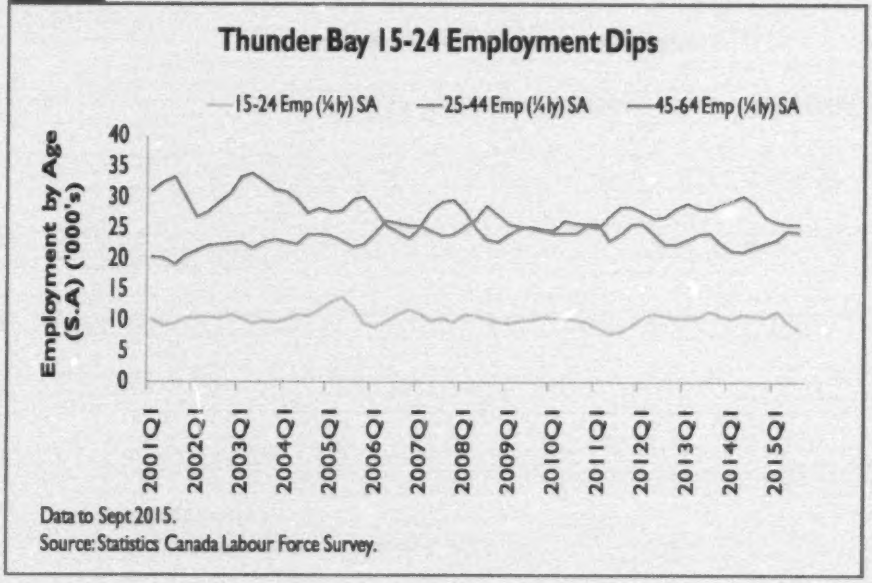
Submarket Results: Vacancies Vary Across Wards And Bedroom Types

North Ward or Zone 1 vacancies remain below the South Ward (Zone 2) average as has been the long time trend in the local market. The North Ward vacancy rate rose to 3.8 per cent this fall, up from 1.7 per cent in October 2014. Similarly, the South Ward vacancy rose, jumping to 5.4 per cent this year, up from 3.0 per cent as of October 2014. Proximity to the University and the newer rental stock in the North Ward are two key reasons for this area's popularity in the Thunder Bay rental market.

The size of an apartment structure continues to be a determining factor of its corresponding vacancy rate in Thunder Bay. The highest vacancies occurred in small and mid-sized structures, while the structures with 20-49 and 50-99 units posted the lowest vacancy rates at 3.8 and 3.4 per cent respectively for both size ranges. As has been the case in prior years, rents are generally higher in larger projects, which tend to be newer.

Affordability and quality are important variables for renters. Vacancy rates rose sharply for units with rents between $600 and $699, but remained relatively low for those with rents lower than $600 and between $700 and $799, indicating relatively strong demand for affordable rental housing. Vacancy rates were also higher in structures with rents over $1000 (6.7 per cent), affordability being one of the main reasons of this higher vacancy rate. Increased listings in the resale market may have prompted some renters to move on to ownership housing

Figure 4



Data to Sept 2015.
Source: Statistics Canada Labour Force Survey.

thereby pushing up vacancy rates in higher rent ranges.

Structures renting between $700 and $799 have the lowest vacancy rate at 2.9 per cent; with two-bedroom units within this rent range having the lowest vacancy rate at 0.9 per cent. Two bedroom units dominate in Thunder Bay with 53 per cent of units being two bedroom units. The vacancy rate for these plentiful two bedroom units has increased (2.1 per cent to 4.4 per cent) but is still lower than the market average.

Supply and Demand Factors

The upward movement in the vacancy rate over the last twelve months in Thunder Bay illustrates how important understanding supply and demand factors can be in gauging rental market movement in the city.

On the supply side, the construction of 128 residence units at Confederation College in the city has added to the stock of available rental units in the market. Student on-campus housing would not be included in the purpose-built universe, but these units do compete with it for tenants. Vacancies jumping for units renting between $600 and $699 may be an indicator that increased supply of units targeted at students may be affecting the primary rental market. The 128 units are phase one of a plan for new residence accommodation that could see another 128 units built over the medium term. No firm construction plans have been announced.

Scattered fourplexes and sixplexes totalling 42 units have been completed since the October 2014 survey. A conversion of a retail store in the South ward has added an additional 20 units to the market. The completions of 130 condominium units over the past year has increased supply of multiple unit ownership dwellings and while the vast majority of the units are intended for owner occupancy, there have been some that will be purchased and then rented as an investment unit according to market intelligence. This, of course, will also add to rental supply.

Noted in our 2014 report was the completion of a relatively large assisted-living seniors' public housing rental project in early 2013. According to industry sources, this large rental completion added supply to the local market causing some shifting of senior households from older rental accommodations to this newer building. The new building continues to impact the market. Many seniors who were on waiting lists for lengthy periods prior to entering the completed project in late 2013 ultimately did not stay long in the new building moving on to long term care after occupying their new unit for a short time. This may be a phenomenon that continues over the medium to long term given the aging population.

On the demand side of the rental housing equation, most notable is the weaker employment picture over the last twelve months in the Thunder Bay CMA. Since a peak in mid-2013, employment has been on the decline in Thunder Bay especially in the 25-44 age category, a key age range for both rental and ownership housing. To the end of September, employment was off roughly three per cent over the same nine months in 2014. The slowing job market has had a negative impact on rental household formation. Underlying weakness in precious and base metals prices has been the most significant contributor to employment weakening. Exploration activity in the region and development activities at other promising projects have slowed or been put on hold.

Apartment Vacancy Rates (%) by Major Centres

	Oct. 2014	Oct. 2015
Abbotsford-Mission	3.1	0.8
Barrie	1.6	1.3
Brantford	2.4	2.5
Calgary	1.4	5.3
Edmonton	1.7	4.2
Gatineau	6.5	5.9
Greater Sudbury	4.2	3.5
Guelph	1.2	1.2
Halifax	3.8	3.4
Hamilton	2.2	3.4
Kelowna	1.0	0.7
Kingston	1.9	2.8
Kitchener-Cambridge-Waterloo	2.3	2.4
London	2.9	2.9
Moncton	8.7	7.4
Montréal	3.4	4.0
Oshawa	1.8	1.7
Ottawa	2.6	3.4
Peterborough	2.9	3.7
Québec	3.1	4.0
Regina	3.0	5.4
Saguenay	4.2	7.1
Saint John	9.0	8.5
Saskatoon	3.4	6.5
Sherbrooke	5.4	5.8
St. Catharines-Niagara	3.6	2.8
St. John's	4.6	4.7
Thunder Bay	2.3	4.6
Toronto	1.6	1.6
Trois-Rivières	5.3	6.0
Vancouver	1.0	0.8
Victoria	1.5	0.6
Windsor	4.3	3.9
Winnipeg	2.5	2.9
Total	2.8	3.3

Although difficult to gauge, several key industry contacts suggest the mining slowdown has led to a general softening in the rental market. Many of the people arriving in the region to support the exploration activities and general expansion of the mining supply and service industry were renting. With the boom period peaking in 2012 or early 2013, many itinerant workers were forced to leave the city when the softening

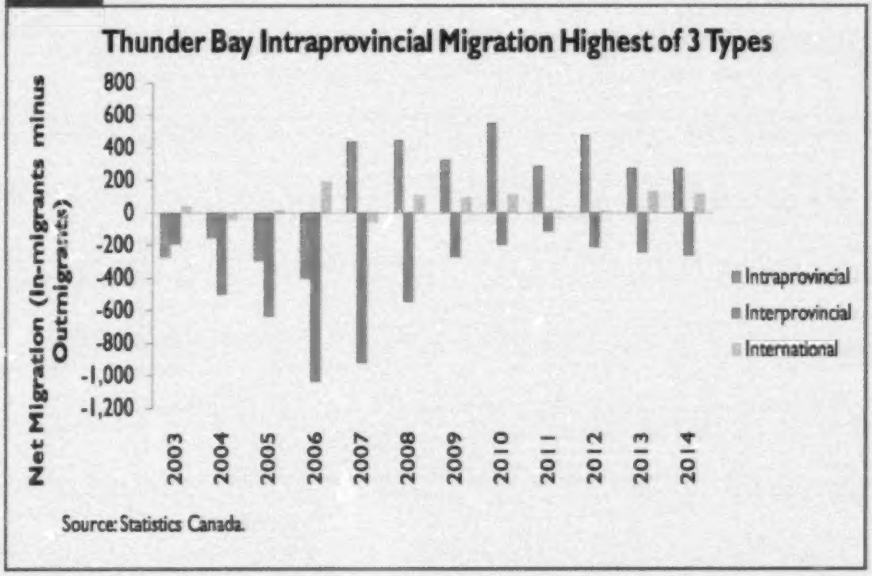
began. The commodity price decline and subsequent curtailment of exploration activities has resulted in loss of demand for rental units.

Looking at Statistics Canada Labour Force data, the services-producing sector of the local economy has experienced the bulk of the job losses over the past twelve months. This partially explains the upswing in the vacancy rate as a certain percentage of services sector employees would be renting. Insofar as retail jobs, call centre jobs and other lower paying service sectors jobs which account for approximately 15-20 per cent of the labour force are often held by renters rather than homeowners, this softening does not bode well for rental demand. Statistics Canada Labour Force data for 15-24 has also shown weakness again explaining some weakness in the rental market.

In a related demand story, increased listings in the resale market have encouraged some renters to leave rental accommodation to become first time homebuyers over the past year leading to greater vacancies in Thunder Bay. Higher vacancies in rent ranges above $1000 could mean that some of these households moved into ownership housing. The sellers' market conditions of the past five or six years that were brought on by listings shortfalls which prompted bidding wars left some households on the sidelines. With the resale market moving to a more balanced state, some of these would-be buyers, who were waiting in rental accommodation for the right conditions to purchase a home, have now made their move.

Despite increased international student recruitment, declining enrolment at Lakehead University and to a lesser degree, Confederation College are important factors in dampening rental market demand. Despite positive results in international student recruitment, overall enrolment this year compared to 2014 student counts at both institutions is down leading to above-market vacancy rates in student residences at both institutions.

Figure 5



Source: Statistics Canada.

Besides economic factors, demographic factors are key to rental market demand. In the case of Thunder Bay, an aging population has led to deaths outstripping births since 2007 resulting in natural decrease. Offsetting this decline in population has been net in-migration with in-migration outpacing out-migration. Population gains due to migration can be most directly attributed to intra-provincial migration, or movements within the province, in this case, Ontario.

From further analysis, it has been determined that most of the movement to Thunder Bay CMA is coming from the region around Northwestern Ontario, namely Kenora District, Rainy River District and elsewhere in Thunder Bay District and has been associated with increased demand for rental accommodation over the past few years. Increased demand for rental is being met partly through higher-density forms of accommodation that include purpose-built apartments or condominiums that are offered for rent. Although 2015 data is not available, given the upswing in the vacancy rate over the past twelve months, net migration, primarily from the hinterlands around Thunder Bay has slowed given the recent employment weakness.

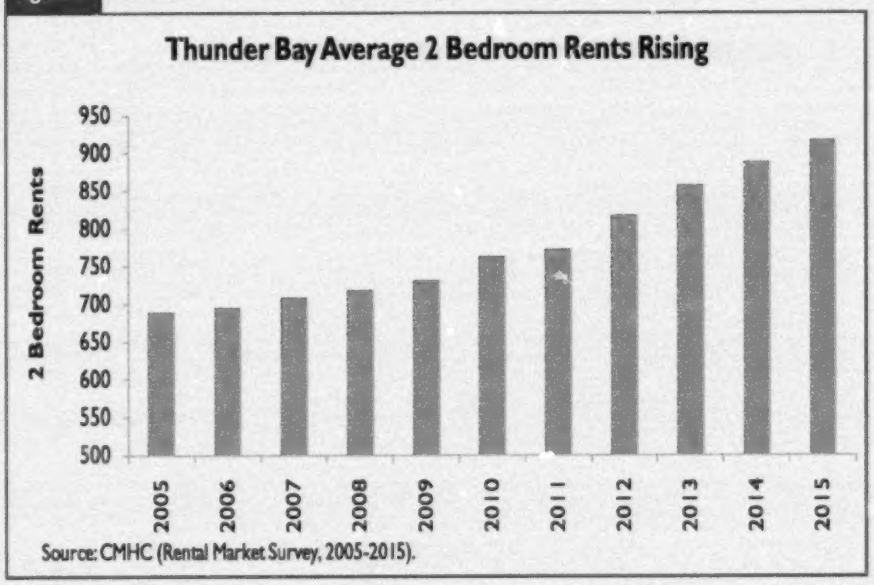
Thunder Bay Fixed Sample Rent Increases Modestly

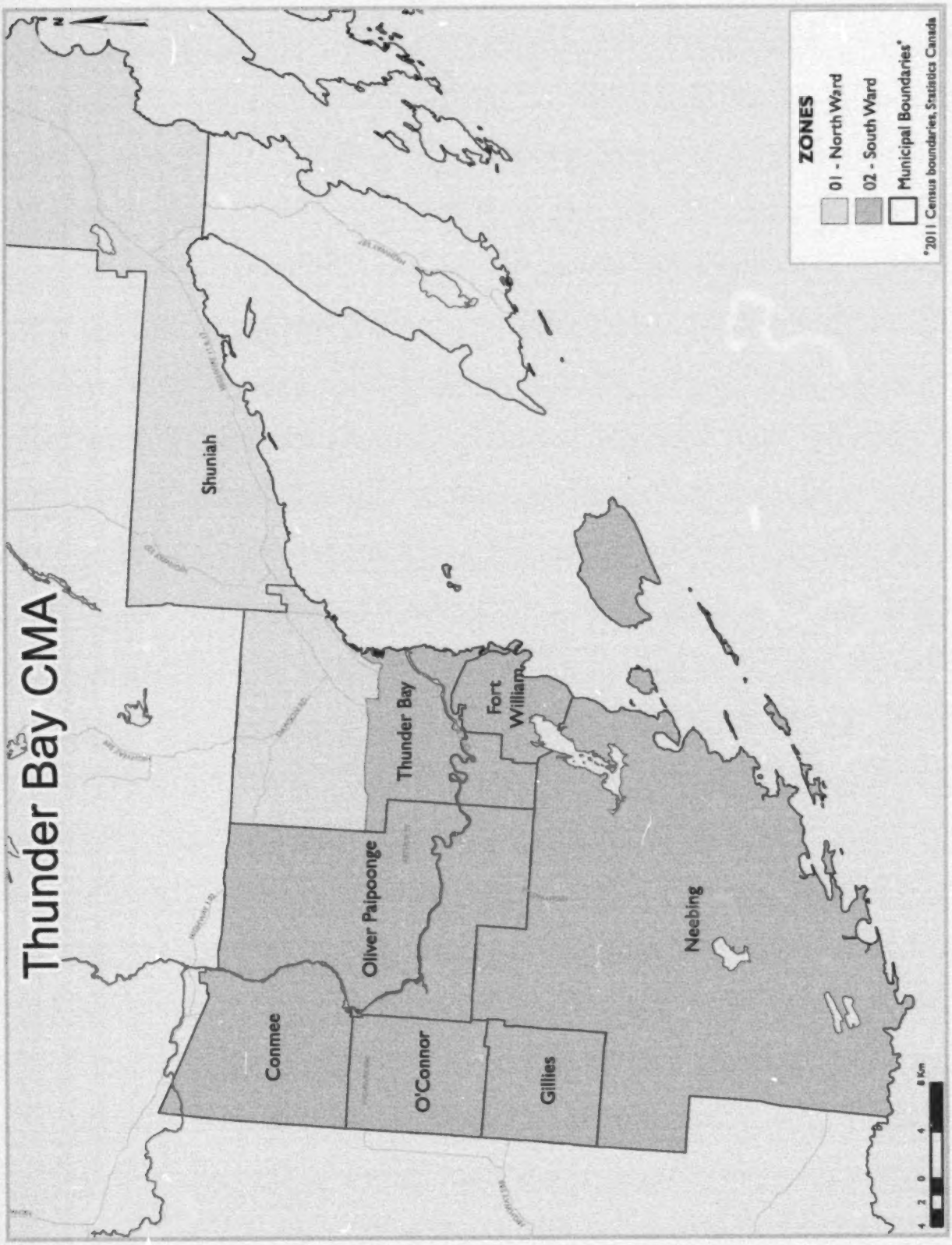
As previously stated, fixed-sample rents for two-bedroom units increased 2.3 per cent from 2014 to 2015, down from the 3.9 per cent increase last year. This 2.3 per cent rent increase places Thunder Bay's increase third smallest among 15 CMAs (centres over 100,000 in population) in the province.

The Thunder Bay average rents are low by provincial standards. Two bedroom rents of $917 in Thunder Bay are fourth lowest in Ontario of

15 CMAs. After a very strong fixed sample increase in 2014, the upswing in vacancy rates which began late last year likely dampened rents increases coming into 2015. Furthermore, these historical increases over the last three years have allowed rents to move closer to market so the backlog of increases may have been exhausted. Lower turnover of units may have further restrained rent increases. The slower rate of rent increase allowed rental accommodation to remain competitive at the same time as increases to ownership prices become more moderate in a resale market that is moving towards balanced conditions.

Figure 6




Thunder Bay CMA
ZONES
01 - North Ward
02 - South Ward
Municipal Boundaries*
*2011 Census boundaries, Statistics Canada
Shuniah
Thunder Bay
Fort William
Oliver Paipoonge
Neebing
Conmee
O'Connor
Gillies
N
0 1 2 4 8 Km

RMS ZONE DESCRIPTIONS – THUNDER BAY CMA	
Zone 1	**North Ward:** Thunder Bay Census Metropolitan Area north of a line running roughly along 10th and 11th Avenues to Edward Street; then east of Edward Street to Oliver Road; then north of Oliver Road to the CMA's western boundary.
Zone 2	**South Ward:** Thunder Bay Census Metropolitan Area south of a line running roughly along 10th and 11th Avenues to Edward Street; then west of Edward Street to Oliver Road; then south of Oliver Road to the CMA's western boundary.
Zones 1-2	**Thunder Bay CMA**

RENTAL MARKET REPORT TABLES

Available in ALL Rental Market Reports

Private Apartment Data:

1.1.1 Vacancy Rates (%) by Zone and Bedroom Type
1.1.2 Average Rents ($) by Zone and Bedroom Type
1.1.3 Number of Units in the Universe by Zone and Bedroom Type
1.1.4 Availability Rates (%) by Zone and Bedroom Type
1.1.5 Estimate of Percentage Change (%) of Average Rent by Zone and Bedroom Type
1.2.1 Vacancy Rates (%) by Year of Construction and Bedroom Type
1.2.2 Average Rents ($) by Year of Construction and Bedroom Type
1.3.1 Vacancy Rates (%) by Structure Size and Bedroom Type
1.3.2 Average Rents ($) by Structure Size and Bedroom Type
1.4 Vacancy Rates (%) by Rent Range and Bedroom Type

Available in SELECTED Rental Market Reports

Private Apartment Data:

1.3.3 Vacancy Rates (%) by Structure Size and Zone

Private Row (Townhouse) Data:

2.1.1 Vacancy Rates (%) by Zone and Bedroom Type
2.1.2 Average Rents ($) by Zone and Bedroom Type
2.1.3 Number of Units in the Universe by Zone and Bedroom Type
2.1.4 Availability Rates (%) by Zone and Bedroom Type
2.1.5 Estimate of Percentage Change (%) of Average Rent by Zone and Bedroom Type

Private Apartment and Row (Townhouse) Data:

3.1.1 Vacancy Rates (%) by Zone and Bedroom Type
3.1.2 Average Rents ($) by Zone and Bedroom Type
3.1.3 Number of Units in the Universe by Zone and Bedroom Type
3.1.4 Availability Rates (%) by Zone and Bedroom Type
3.1.5 Estimate of Percentage Change (%) of Average Rent by Zone and Bedroom Type

Available in the Quebec, Montreal, Gatineau, Ottawa, Toronto, Hamilton, Kitchener-Cambridge-Waterloo, London, Winnipeg, Regina, Saskatoon, Edmonton, Calgary, Kelowna, Vancouver and Victoria Reports

Rental Condominium Apartment Data

4.1.1 Rental Condominium Apartments and Private Apartments in the RMS - Vacancy Rates (%)
4.1.2 Rental Condominium Apartments and Private Apartments in the RMS - Average Rents ($) by Bedroom Type
4.1.3 Rental Condominium Apartments - Average Rents ($) by Bedroom Type
4.2.1 Rental Condominium Apartments and Private Apartments in the RMS - Vacancy Rates (%) by Building Size
4.3.1 Condominium Universe, Rental Units, Percentage of Units in Rental and Vacancy Rate
4.3.2 Condominium Universe, Rental Units, Percentage of Units in Rental and Vacancy Rate by Project Size

Available in the St. John's, Halifax, Quebec, Montreal, Ottawa, Barrie, Toronto, Hamilton, St. Catharine's, Windsor, Winnipeg, Regina, Saskatoon, Calgary, Edmonton, Kelowna, Abbotsford, Vancouver and Victoria Reports

Secondary Rented Unit Data

5.1 Secondary Rented Unit Average Rents ($) by Dwelling Type
5.2 Estimated Number of Households in Other Secondary Rented Units by Dwelling Type

1.1.1 Private Apartment Vacancy Rates (%) by Zone and Bedroom Type Thunder Bay CMA

Zone	Bachelor		1 Bedroom		2 Bedroom		3 Bedroom +		Total	
	Oct-14	Oct-15	Oct-14	Oct-15	Oct-14	Oct-15	Oct-14	Oct-15	Oct-14	Oct-15
Zone 1 - North Ward	**	**	1.0 a	2.7 a	1.8 a	4.1 b	0.0 c	**	1.7 a	3.8 a
Zone 2 - South Ward	2.7 c	10.6 c	3.7 c	5.1 b	2.6 a	4.8 b	**	**	3.0 b	5.4 a
Thunder Bay CMA	**5.2** c	**9.3** b	**2.3** a	**3.9** b	**2.1** a	**4.4** b	**0.9** c	**	**2.3** a	**4.6** a

The following letter codes are used to indicate the reliability of the estimates:
a - Excellent, b- Very good, c - Good, d - Fair (Use with Caution)
** Data suppressed to protect confidentiality or data not statistically reliable.
n/u: No units exist in the universe for this category n/s: No units exist in the sample for this category n/a: Not applicable

↑ indicates the year-over-year change is a statistically significant increase
↓ indicates the change is a statistically significant decrease
- indicates that the change is not statistically significant

Please click Methodology or Data Reliability Tables Appendix link for more details

1.1.2 Private Apartment Average Rents ($) by Zone and Bedroom Type Thunder Bay CMA

Zone	Bachelor		1 Bedroom		2 Bedroom		3 Bedroom +		Total	
	Oct-14	Oct-15	Oct-14	Oct-15	Oct-14	Oct-15	Oct-14	Oct-15	Oct-14	Oct-15
Zone 1 - North Ward	577 a	585 a	778 a	793 a	941 a	970 a	1,158 a	1,138 a	877 a	900 a
Zone 2 - South Ward	573 a	615 b	695 a	704 b	822 a	850 a	966 b	1,110 b	758 b	781 a
Thunder Bay CMA	**574** a	**603** a	**738** a	**749** a	**888** a	**917** a	**1,099** a	**1,131** a	**821** a	**845** a

The following letter codes are used to indicate the reliability of the estimates (cv = coefficient of variation):
a - Excellent ($0 \le cv \le 2.5$), b- Very good ($2.5 < cv \le 5$), c - Good ($5 < cv \le 7.5$), d - Fair (Use with Caution) ($7.5 < cv \le 10$)
** Data suppressed to protect confidentiality or data not statistically reliable.
- No units exist in the universe for this category n/a: Not applicable

Please click Methodology or Data Reliability Tables Appendix link for more details

1.1.3 Number of Private Apartment Units in the Universe by Zone and Bedroom Type Thunder Bay CMA

Zone	Bachelor		1 Bedroom		2 Bedroom		3 Bedroom +		Total	
	Oct-14	Oct-15	Oct-14	Oct-15	Oct-14	Oct-15	Oct-14	Oct-15	Oct-14	Oct-15
Zone 1 - North Ward	104	101	1,058	1,037	1,529	1,559	100	100	2,791	2,797
Zone 2 - South Ward	186	184	1,001	980	1,244	1,241	44	47	2,475	2,452
Thunder Bay CMA	**290**	**285**	**2,059**	**2,017**	**2,773**	**2,800**	**144**	**147**	**5,266**	**5,249**

** Data suppressed to protect confidentiality or data not statistically reliable.
- No units exist in the universe for this category n/a: Not applicable

Please click Methodology **or** Data Reliability Tables Appendix **link for more details**

1.1.4 Private Apartment Availability Rates (%) by Zone and Bedroom Type Thunder Bay CMA

Zone	Bachelor		1 Bedroom		2 Bedroom		3 Bedroom +		Total	
	Oct-14	Oct-15	Oct-14	Oct-15	Oct-14	Oct-15	Oct-14	Oct-15	Oct-14	Oct-15
Zone 1 - North Ward	**	**	1.6 b	3.4 b ↑	2.5 a	4.6 b ↑	1.4 d	10.0 c ↑	2.4 a	4.5 b ↑
Zone 2 - South Ward	2.7 a	12.8 c ↑	5.5 b	5.6 b	3.3 b	5.1 b ↑	6.0 d	**	4.2 b	5.9 b ↑
Thunder Bay CMA	**5.2 a**	**10.7 c ↑**	**3.5 b**	**4.5 b ↑**	**2.9 a**	**4.9 b ↑**	**2.8 c**	**9.4 c ↑**	**3.2 a**	**5.2 b ↑**

The following letter codes are used to indicate the reliability of the estimates:
a - Excellent, b- Very good, c - Good, d - Fair (Use with Caution)
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n/u: No units exist in the universe for this category n/s: No units exist in the sample for this category n/a: Not applicable

↑ indicates the year-over-year change is a statistically significant increase
↓ indicates the change is a statistically significant decrease
- indicates that the change is not statistically significant

Please click Methodology **or** Data Reliability Tables Appendix **link for more details**

1.1.5 Private Apartment Estimate of Percentage Change (%) of Average Rent [1] by Bedroom Type Thunder Bay CMA

Centre	Bachelor		1 Bedroom		2 Bedroom		3 Bedroom +		Total	
	Oct-13 to Oct-14	Oct-14 to Oct-15	Oct-13 to Oct-14	Oct-14 to Oct-15	Oct-13 to Oct-14	Oct-14 to Oct-15	Oct-13 to Oct-14	Oct-14 to Oct-15	Oct-13 to Oct-14	Oct-14 to Oct-15
Zone 1 - North Ward	**	4.8 d	2.5 c	2.7 c	3.2 d	1.9 c	**	**	2.9 c	2.0 b
Zone 2 - South Ward	2.4 b	9.3 b	4.8 b	2.3 c	4.8 b	2.9 c	++	++	4.7 b	2.9 b
Thunder Bay CMA	4.3	7.4	3.6	2.5	3.9	2.3	**	**	3.8	2.5

[1] The Percentage Change of Average Rent is a measure of the market movement, and is based on those structures that were common to the survey sample for both years.

The following letter codes are used to indicate the reliability of the estimates:
a - Excellent, b- Very good, c - Good, d - Fair (Use with Caution)
** Data suppressed to protect confidentiality or data not statistically reliable.
++ Change in rent is not statistically significant. This means that the change in rent is not statistically different than zero (0).
- No units exist in the universe for this category n/a: Not applicable

Please click Methodology **or** Data Reliability Tables Appendix **link for more details**

1.2.1 Private Apartment Vacancy Rates (%) by Year of Construction and Bedroom Type Thunder Bay CMA

Year of Construction	Bachelor		1 Bedroom		2 Bedroom		3 Bedroom +		Total	
	Oct-14	Oct-15	Oct-14	Oct-15	Oct-14	Oct-15	Oct-14	Oct-15	Oct-14	Oct-15
Thunder Bay CMA										
Pre 1960	**	6.0 c	4.9 c	6.1 c	3.4 c	5.4 d	**	**	4.1 c	6.1 c ↑
1960 - 1974	6.1 c	10.2 c	1.5 a	2.5 a -	1.5 a	3.3 a -	0.0 d	0.0 d	1.8 a	3.4 a -
1975 - 1989	0.0 d	0.0 d	0.6 a	3.1 a -	2.2 a	4.6 a -	**	**	1.7 a	4.2 a -
1990+	**	**	15.7 c	**	2.5 a	**	0.0 c	5.8 d	3.9 c	9.1 c -
Total	5.2 c	9.3 b	2.3 a	3.9 a -	2.1 a	4.4 a -	0.9 d	**	2.3 a	4.6 a -

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n/u: No units exist in the universe for this category n/s: No units exist in the sample for this category n/a: Not applicable

↑ indicates the year-over-year change is a statistically significant increase
↓ indicates the change is a statistically significant decrease
- indicates that the change is not statistically significant

Please click Methodology **or** Data Reliability Tables Appendix **link for more details**

1.2.2 Private Apartment Average Rents ($) by Year of Construction and Bedroom Type Thunder Bay CMA

Year of Construction	Bachelor		1 Bedroom		2 Bedroom		3 Bedroom +		Total	
	Oct-14	Oct-15	Oct-14	Oct-15	Oct-14	Oct-15	Oct-14	Oct-15	Oct-14	Oct-15
Thunder Bay CMA										
Pre 1960	535 c	562 c	626 c	639 c	759 c	793 c	**	1,116 c	658 c	683 c
1960 - 1974	622 c	645 c	781 c	787 c	893 c	907 c	1,200 c	1,152 c	835 c	847 c
1975 - 1989	562 b	602 c	782 c	792 c	893 c	913 c	1,158 c	1,164 c	858 c	876 c
1990+	**	**	**	820 c	1,041 b	1,165 c	1,091 c	1,117 c	1,040 b	1,120 c
Total	574 c	603 c	738 c	749 c	888 c	917 c	1,099 c	1,131 c	821 c	845 c

The following letter codes are used to indicate the reliability of the estimates (cv = coefficient of variation):
a - Excellent ($0 \le cv \le 2.5$), b- Very good ($2.5 < cv \le 5$), c - Good ($5 < cv \le 7.5$), d - Fair (Use with Caution) ($7.5 < cv \le 10$)
** Data suppressed to protect confidentiality or data not statistically reliable.
- No units exist in the universe for this category n/a: Not applicable

Please click Methodology or Data Reliability Tables Appendix link for more details

1.3.1 Private Apartment Vacancy Rates (%) by Structure Size and Bedroom Type Thunder Bay CMA

Size	Bachelor		1 Bedroom		2 Bedroom		3 Bedroom +		Total	
	Oct-14	Oct-15	Oct-14	Oct-15	Oct-14	Oct-15	Oct-14	Oct-15	Oct-14	Oct-15
Thunder Bay CMA										
3 to 5 Units	**	**	5.1 c	4.3 c	3.3 c	5.4 c	**	**	3.8 c	5.2 c
6 to 19 Units	**	**	2.0 c	5.3 c ↑	3.2 c	6.0 b ↑	0.0 a	**	2.9 b	6.1 b ↑
20 to 49 Units	3.1 c	11.0 c ↑	2.0 a	2.9 a	1.3 a	3.2 a ↑	0.0 a	**	1.7 a	3.8 a ↑
50 to 99 Units	16.7 c	0.0 a ↓	0.8 a	3.2 a ↑	1.8 a	3.7 b ↑	**	**	1.7 a	3.4 a ↑
100+ Units	**	**	**	**	**	**	**	**	**	**
Total	5.2 c	9.3 c ↑	2.3 a	3.9 b ↑	2.1 a	4.4 a ↑	0.9 d	**	2.3 a	4.6 a ↑

The following letter codes are used to indicate the reliability of the estimates:
a - Excellent, b- Very good, c - Good, d - Fair (Use with Caution)
** Data suppressed to protect confidentiality or data not statistically reliable.
n/u: No units exist in the universe for this category n/s: No units exist in the sample for this category n/a: Not applicable

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- indicates that the change is not statistically significant

Please click Methodology or Data Reliability Tables Appendix link for more details

1.3.2 Private Apartment Average Rents ($) by Structure Size and Bedroom Type Thunder Bay CMA

Size	Bachelor		1 Bedroom		2 Bedroom		3 Bedroom +		Total	
	Oct-14	Oct-15	Oct-14	Oct-15	Oct-14	Oct-15	Oct-14	Oct-15	Oct-14	Oct-15
Thunder Bay CMA										
3 to 5 Units	526 a	537 b	628 a	645 a	787 a	841 a	1,084 b	1,089 a	735 a	770 a
6 to 19 Units	560 a	565 a	683 a	694 a	808 a	845 a	1,046 a	1,067 a	757 a	783 a
20 to 49 Units	606 a	660 a	758 a	768 a	921 a	939 a	**	**	836 a	856 a
50 to 99 Units	639 a	650 a	848 a	856 a	962 a	989 a	**	**	921 a	937 a
100+ Units	**	**	**	**	**	**	**	**	**	**
Total	574 a	603 a	738 a	749 a	888 a	917 a	1,099 a	1,131 a	821 a	845 a

The following letter codes are used to indicate the reliability of the estimates (cv = coefficient of variation):
a - Excellent ($0 \leq cv \leq 2.5$), b- Very good ($2.5 < cv \leq 5$), c - Good ($5 < cv \leq 7.5$), d - Fair (Use with Caution) ($7.5 < cv \leq 10$)
** Data suppressed to protect confidentiality or data not statistically reliable.
- No units exist in the universe for this category n/a: Not applicable

Please click Methodology or Data Reliability Tables Appendix link for more details

1.3.3 Private Apartment Vacancy Rates (%) by Structure Size and Zone Thunder Bay CMA

Zone	3-5		6-19		20-49		50-99		100+	
	Oct-14	Oct-15	Oct-14	Oct-15	Oct-14	Oct-15	Oct-14	Oct-15	Oct-14	Oct-15
Zone 1 - North Ward	1.4 d	4.3 d	3.2 c	6.6 c	1.3 d	2.8 d	1.7 a	3.4 a	**	**
Zone 2 - South Ward	5.6 c	5.9 c	2.8 b	5.8 b	2.0 c	4.7 d	**	**	-	-
Thunder Bay CMA	**3.8 c**	**5.2 c**	**2.9 b**	**6.1 b**	**1.7 c**	**3.8 d**	**1.7 a**	**3.4 a**	**	**

The following letter codes are used to indicate the reliability of the estimates:
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** Data suppressed to protect confidentiality or data not statistically reliable.
n/u: No units exist in the universe for this category n/s: No units exist in the sample for this category n/a: Not applicable

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Please click Methodology or Data Reliability Tables Appendix link for more details

1.4 Private Apartment Vacancy Rates (%)[1] by Rent Range and Bedroom Type Thunder Bay CMA

Rent Range	Bachelor		1 Bedroom		2 Bedroom		3 Bedroom +		Total	
	Oct-14	Oct-15	Oct-14	Oct-15	Oct-14	Oct-15	Oct-14	Oct-15	Oct-14	Oct-15
Thunder Bay CMA										
LT $600	1.7 c	3.4 d	3.9 d	2.6 c	0.0 c	**	**	**	2.6 c	3.2 d
$600 - $699	**	**	2.0 c	4.6 c ↑	1.3 d	3.9 d	**	**	2.2 c	6.7 c ↑
$700 - $799	**	**	1.9 b	3.9 c ↑	2.4 c	0.9 d ↓	**	**	2.3 b	2.9 b
$800 - $899	**	**	3.2 d	5.3 c ↑	1.5 b	5.1 b ↑	**	**	2.0 b	5.3 b ↑
$900 - $999	**	**	0.5 d	3.0 a ↑	3.0 b	5.1 b ↑	0.0 d	**	2.2 b	4.5 b ↑
$1000+	**	**	5.9 d	**	3.1 b	6.1 b ↑	**	**	3.1 b	6.7 b ↑
Total	5.2 c	9.3 b ↑	2.3 c	3.9 b ↑	2.1 a	4.4 a ↑	0.9 d	**	2.3 a	4.6 a ↑

[1]Vacancy rate by rent range when rents are known. For the Total, vacancy rates include all structures.

The following letter codes are used to indicate the reliability of the estimates:
a - Excellent, b- Very good, c - Good, d - Fair (Use with Caution)
** Data suppressed to protect confidentiality or data not statistically reliable.
n/u: No units exist in the universe for this category n/s: No units exist in the sample for this category n/a: Not applicable

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↓ indicates the change is a statistically significant decrease
- indicates that the change is not statistically significant

Please click Methodology **or** Data Reliability Tables Appendix **link for more details**

TECHNICAL NOTE:

Difference between Percentage Change of Average Rents (Existing and New Structures) AND Percentage Change of Average Rents from Fixed Sample (Existing Structures Only):

Percentage Change of Average Rents (New and Existing Structures): The increase/decrease obtained from the calculation of percentage change of average rents between two years (example: $500 in the previous year vs. $550 in current survey represents an increase of 10 percent) is impacted by changes in the composition of the rental universe (e.g. the inclusion of newly built luxury rental buildings in the survey, rental units renovated/upgraded or changing tenants could put upward pressure on average rents in comparison to the previous year) as well as by the rent level movement (e.g. increase/decrease in the level of rents that landlords charge their tenants).

Percentage Change of Average Rents from Fixed Sample (Existing Structures Only): This is a measure that estimates the rent level movement. The estimate is based on structures that were common to the survey sample for both the previous year and the current Rental Market Surveys. However, some composition effects still remain e.g. rental units renovated/upgraded or changing tenants because the survey does not collect data to such level of details.

METHODOLOGY FOR RENTAL MARKET SURVEY

Canada Mortgage and Housing Corporation (CMHC) conducts the **Rental Market Survey** (RMS) every year in April and October to estimate the relative strengths in the rental market. The survey is conducted on a sample basis in all urban areas with populations of 10,000 and more. The survey targets only privately initiated structures with at least three rental units, which have been on the market for at least three months. The survey collects market rent, available and vacant unit data for all sampled structures.

The survey is conducted by a combination of telephone interviews and site visits, and information is obtained from the owner, manager, or building superintendent. The survey is conducted during the first two weeks of April/October, and the results reflect market conditions at that time.

CMHC is constantly reviewing the Universe of rental structures in the rental market Universe to ensure that it is as complete as possible. Every year, any newly completed rental structures with at least 3 rental units are added to the Universe. In addition to this, CMHC undertakes comprehensive reviews by comparing the Universe listing to other sources of data to ensure that the list of structures is as complete as possible.

CMHC's Rental Market Survey provides a snapshot of vacancy and availability rates, and average rents in both new and existing structures. There also exists a measure for the change in rent that is calculated based on existing structures only. The estimate is based on structures that were common to the survey sample for both the previous year and the current Rental Market Surveys. The change in rent in existing structures is an estimate of the change in rent that the landlords charge and removes compositional effects on the rent level movement due to new buildings, conversions, and survey sample rotation. The estimate of per cent change in rent is available in all Canada and Provincial Highlights publications, and also in the CMA reports (fall survey only). The rent levels in new and existing structures are also published. While the per cent change in rents in existing structures published in the reports are statistically significant, changes in rents that one might calculate based on rent levels in new and existing structures may or may not be statistically significant.

Use caution when comparing changes in statistics from one year to the next. Even if there is a year over year change, it is not necessarily a statistically significant change. These tables include indicators to help interpret changes. ↑ indicates the year-over-year change is a statistically significant increase, ↓ indicates the year-over-year change is a statistically significant decrease, while – indicates that the effective sample does not allow one to interpret any year-over-year change as being statistically significant.

METHODOLOGY FOR SECONDARY RENTAL MARKET SURVEY

Canada Mortgage and Housing Corporation (CMHC) conducts a survey of the **Secondary Rental Market** (SRMS) in late summer and early fall to estimate the relative strengths in the secondary rental market which is defined as those dwellings not covered by the regular RMS – rented single-detached homes, semi-detached (double) homes, rented freehold row/townhomes, rented duplex apartments (i.e., one-above-other), rented accessory apartments (separate dwelling units that are located within the structure of another dwelling type), rented condominiums (can be any dwelling type but are primarily apartments), and one or two apartments which are part of a commercial or other type of structure.

The SRMS has three components which are conducted in selected CMAs:

- A Household Rent Survey of all households to collect information about rents in the following CMAs: Abbotsford, Barrie, Calgary, Edmonton, Halifax, Hamilton, Kelowna, Montréal, Ottawa, Québec, Regina, Saskatoon, St. Catharines-Niagara, St. John's, Toronto, Vancouver, Victoria, Windsor and Winnipeg.
- A Condominium Apartment Rent Survey of households living in condominium apartments to collect information about rents in the following CMAs: Calgary, Edmonton, Montréal, Ottawa, Québec, Toronto, Vancouver, Victoria and Winnipeg.
- A Condominium Apartment Vacancy Survey to collect vacancy information in the following CMAs: Calgary, Edmonton, Gatineau, Hamilton, Kelowna, Kitchener, London, Montréal, Ottawa, Québec, Regina, Saskatoon, Toronto, Vancouver, Victoria and Winnipeg.

All three surveys are conducted by telephone interviews. For the condominium apartment vacancy survey, information is obtained from the property management company or condominium (strata) board, or building superintendent and can be supplemented by site visits if no telephone contact is made. For the other two surveys, information is collected from an adult living in the household. All surveys are conducted in late summer and early fall, and the results reflect market conditions at that time.

CMHC publishes the number of units rented and vacancy rates from the condominium vacancy survey. For the condominium rent and household rent surveys, the average rent is published. A letter code representing the statistical reliability (i.e., the coefficient of variation (CV)) for each estimate is provided to indicate the data reliability.

Every year CMHC reviews the method of estimation for Household Rent Survey, which may result in some changes to previously published estimates. All statistics in this report are reflective of the new method of estimation.

DEFINITIONS

Availability: A rental unit is considered available if the existing tenant has given, or has received, notice to move, and a new tenant has not signed a lease; or the unit is vacant (see definition of vacancy below).

Rent: The rent refers to the actual amount tenants pay for their unit. No adjustments are made for the inclusion or exclusion of amenities and services such as heat, hydro, parking, and hot water. For available and vacant units, the rent is the amount the owner is asking for the unit.

It should be noted that the average rents reported in this publication provide a sound indication of the amounts paid by unit size and geographical sector. Utilities such as heating, electricity and hot water may or may not be included in the rent.

Rental Apartment Structure: Any building containing three or more rental units, of which at least one unit is not ground oriented. Owner-occupied units are not included in the rental building unit count.

Rental Row (Townhouse) Structure: Any building containing three or more rental units, all of which are ground oriented with vertical divisions. Owner-occupied units are not included in the rental building unit count. These row units in some centres are commonly referred to as townhouses.

Vacancy: A unit is considered vacant if, at the time of the survey, it is physically unoccupied and available for immediate rental.

Definitions of Census Areas referred to in this publication are as follows:

A census metropolitan area (CMA) or a census agglomeration (CA) is formed by one or more adjacent municipalities centred on a large urban area (known as the urban core). The census population count of the urban core is at least 10,000 to form a census agglomeration and at least 100,000 to form a census metropolitan area. To be included in the CMA or CA, other adjacent municipalities must have a high degree of integration with the central urban area, as measured by commuting flows derived from census place of work data. CMAs and CAs contain whole municipalities or Census Subdivisions.

Data presented is based on Statistics Canada's 2011 Census area definitions.

Acknowledgement

The Rental Market Survey and the Secondary Rental Market Survey could not have been conducted without the cooperation of the rental property owners, managers, building superintendents and household members throughout Canada. CMHC acknowledges their hard work and assistance in providing timely and accurate information. As a result of their contribution, CMHC is able to provide information that benefits the entire housing industry.

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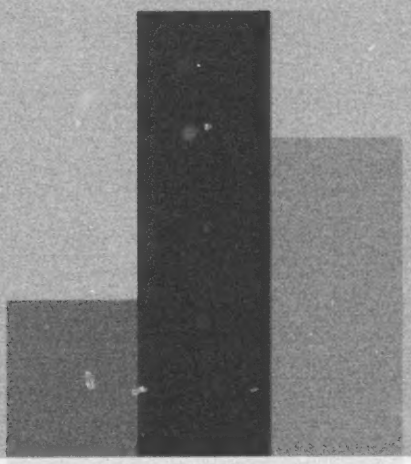

FREE REPORTS AVAILABLE ON-LINE

- Canadian Housing Statistics
- Condominium Owners Report
- Housing Information Monthly
- Housing Market Outlook, Canada
- Housing Market Outlook, Highlight Reports – Canada and Regional
- Housing Market Outlook, Major Centres
- Housing Market Tables: Selected South Central Ontario Centres
- Housing Now, Canada
- Housing Now, Major Centres
- Housing Now, Regional
- Monthly Housing Statistics
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